

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2307
ANSWERED ON:28.03.2012
DIVERSION OF FUNDS
Reddy Shri Magunta Srinivasulu

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government has sought details of the impact of extra spending and diverting of funds exclusively meant for exclusive programmes and policies;
- (b) if so, the details thereof, State-wise during the Eleventh Five Year Plan, year-wise; and
- (c) the action taken so far where the violations and diversion of funds took place under each programme and policy?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (DR. ASHWANI KUMAR)

(a) to (c): Whenever any specific information about diversion of funds from any programme is received, the concerned Ministry seeks details from the concerned agency/Department of the State Government, Moreover, the Central Ministries keep track of utilization of funds through the utilization certificates (UCs) by the States and subsequent installments are released bases on the UCs submitted. This provides an additional check against diversion of funds. Further, the Plan funds are released to the States through trerasury route or direct transfer route for different programmes by the Central Ministries. The States are also required to provide their share as specified in the guidelines of each programme. The total expenditure (inclusive of State share) on programmes is audited by the Comptroller & Auditor General (C&AG) or in some cases by the qualified chartered accountants. The Audit Reports of the C&AG are placed before the State Leguislature concerned and diversions of funds, if noted in the Audit Reports, are examined by the Public Accounts Committee (PAC) of the State Legislature.